

Office Memorandum • UNITED STATES GOVERNMENT

TO : Deputy Comptroller

DATE: 23 August 1955

FROM : Acting Chief, Finance Division

SUBJECT: Operational Information of Interest to the
Office of the Comptroller

1. Following are comments for your consideration in connection with subject memorandum addressed to the Assistant Comptroller under date of 7 June 1955.

2. The suggestions, in part, made by [REDACTED] have been the subject of previous discussions between [REDACTED] and representatives of the Finance Division. 25X1A9a 25X1A9a

25X1A 3. In our opinion it would not be appropriate to include in [REDACTED] or in any of the [REDACTED] Regulations, requirements for information and intelligence such as are suggested. The few requirements currently made in Agency Regulations are intended primarily to permit an orderly processing of information necessary to the proper administration of Finance Division functions. Requirements such as those suggested are aimed toward gathering intelligence with the view to improving techniques and widening the area of "know how" in methods utilized in covert financial operations. 25X1A

25X1A9a 4. The Finance Division does not dispute the fact that added knowledge in fields suggested in [REDACTED]'s memorandum would be valuable assets, if it could be obtained and if the subsequent usefulness and applicability would justify the cost, time and effort expended in acquiring it. The Monetary Branch currently obtains information and intelligence through a number of both overt and covert sources which it utilizes in the conduct of its activities. On a continuing basis, OCD disseminates reports and information to this Branch on a specific requirement schedule. When, in order to more efficiently or securely service a covert operation, and if the required "know how" is not one of our assets, specific requests are made upon DD/P elements to attempt to obtain needed information on a "case" basis. With some exceptions, the Finance Division does not attempt to set up mechanisms to obtain a continuing flow of data, on a world-wide basis, because it does not have the capability of properly processing a collection effort, or "take" of this magnitude.

25X1A9a 5. Obviously, to attempt a collection effort of a size and scope suggested by [REDACTED] could not be done through Finance Division facilities

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either at Headquarters or in the field, with the staffing now available. An undertaking of this description would necessarily have to be assumed, for the most part, by DD/P, on the basis of requirements placed by the Finance Division. From our past experiences we know that similar, but smaller magnitude, efforts to do this would not be fruitful, even if DD/P were agreeable to assigning people to such tasks. Actually, if such a collection effort were to be attempted, we would have to have a staff of experienced, knowledgeable employees to (a) read and understand, (b) evaluate, (c) collate, (d) index and (e) know how to utilize it to best advantage; otherwise the cost, time and effort expended in the collection would have been wasted.

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6. [REDACTED] reference to an OSO memorandum of 23 May 1947, is noted. At this date, the Finance Division (Special Funds Division) was, organizationally, part of Office of Special Operations. The then Chief of the Monetary Branch (Special Monetary Unit) suggested setting up an "Economic Unit" to attempt to gather information and intelligence of an economic nature. The memorandum referred to was the initial attempt to get this Unit established. As it subsequently developed, approval for the Economic Unit was not obtained and the general idea, officially, was abandoned. Actually, further attempts were made to get this Unit established unofficially, but these were unsuccessful, presumably because the Office of Special Operations did not feel the effort was justified.

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7. With the approval of the Deputy Comptroller, it is suggested that [REDACTED] discuss his suggestions with representatives of the Finance Division, particularly with the Chief, Monetary Branch.

[REDACTED]
Acting Chief, Finance Division

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